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Ad 4 No
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1938 AGRICULTURAL CONSERVATION PROGRAM

NEW ORLEANS CONFERENCE

November 28 and 29, 1937

November 28

- 9:30 A.M. - Preliminary Remarks. I. W. Duggan
9:45 A.M. - The Goal Approach in the 1938 Agricultural
Conservation Program R. H. Rogers
10:00 A.M. - Establishment of State, County and
Individual Farm Soil-Depleting Goals;
Yields per Acre and Productivity Indexes . . E. D. White
12:30 P.M. - Lunch
1:30 P.M. - Establishment of Soil-Building Goals S. B. Akins
2:30 P.M. - Payments and Deductions. J. B. Young
3:30 P.M. - Division of Payments G. L. Prichard
7 to 9 P.M. - Current Problems

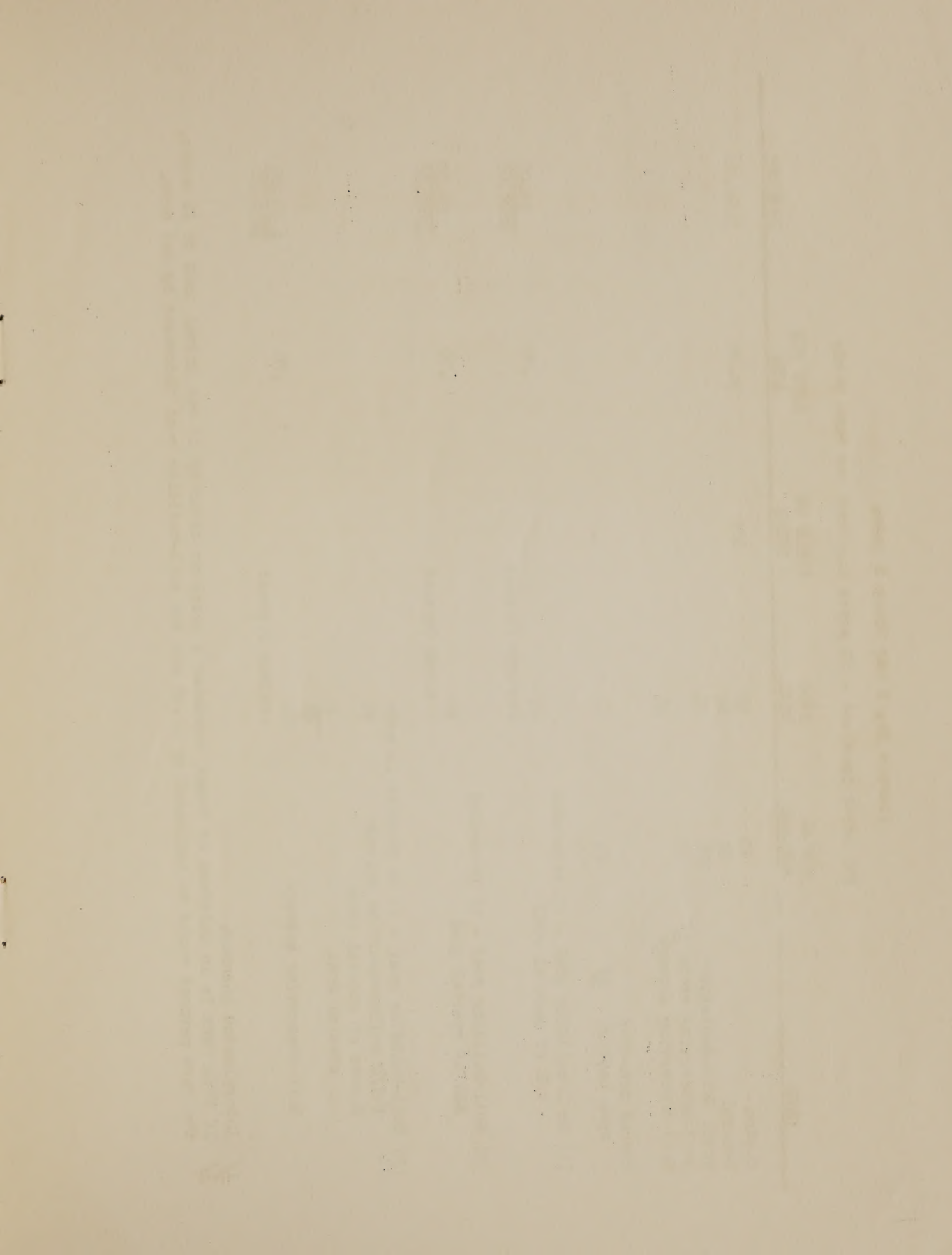
November 29

- 9:30 A.M. - Crop Classifications H. E. York
10:00 A.M. - Soil-Building Practices. T. L. Ayers
11:00 A.M. - Multiple Farms L. A. Reynoldson
11:30 A.M. - Miscellaneous. R. H. Rogers
and C. F. Clark
12:30 P.M. - Lunch
1:30 P.M. - Range Program. F. R. Merrifield
1:30 P.M. - 1937 Program - Association Expense
Deductions E. T. Etter,
Buford Rhea,
and H. E. York
Cotton Adjustment Program and Commodity
Credit Corporation Loans L. A. Reynoldson
Farm Management Approach in Experimental
Counties for 1938. E. D. White

Example No. 1 - For Group 1 Farms

600 acres cropland		- 150 acres required for home needs		- County rate \$1.25	
CROP	NORMAL ACREAGE	1938 GOAL	YIELD OR INDEX	RATE PER ACRE	PAYMENT
Cotton	200	125	150	\$3.60	\$450.00
General	350	260	100	1.25	325.00
Total soil-depleting	550	385			
Idle cropland 1/	50				
Soil-conserving acreage		165		.70	115.50
(1) Soil-building goal (Oklahoma and Texas).					
1-1/2 x 165		247			
23.20		12	259		
2					
Non-crop open pasture	160			2¢ \$ 3.20	23.20
Grazing capacity	20			1.00 20.00	\$913.70
(2) Soil-building goal in States other than Oklahoma and Texas					
1-1/2 x 165		247			
Fenced non-crop open pasture		0		0	0
					\$890.50

1/ In a regular rotation. If the same land is normally idle, it is not cropland.
 2/ One animal unit to 8 acres.



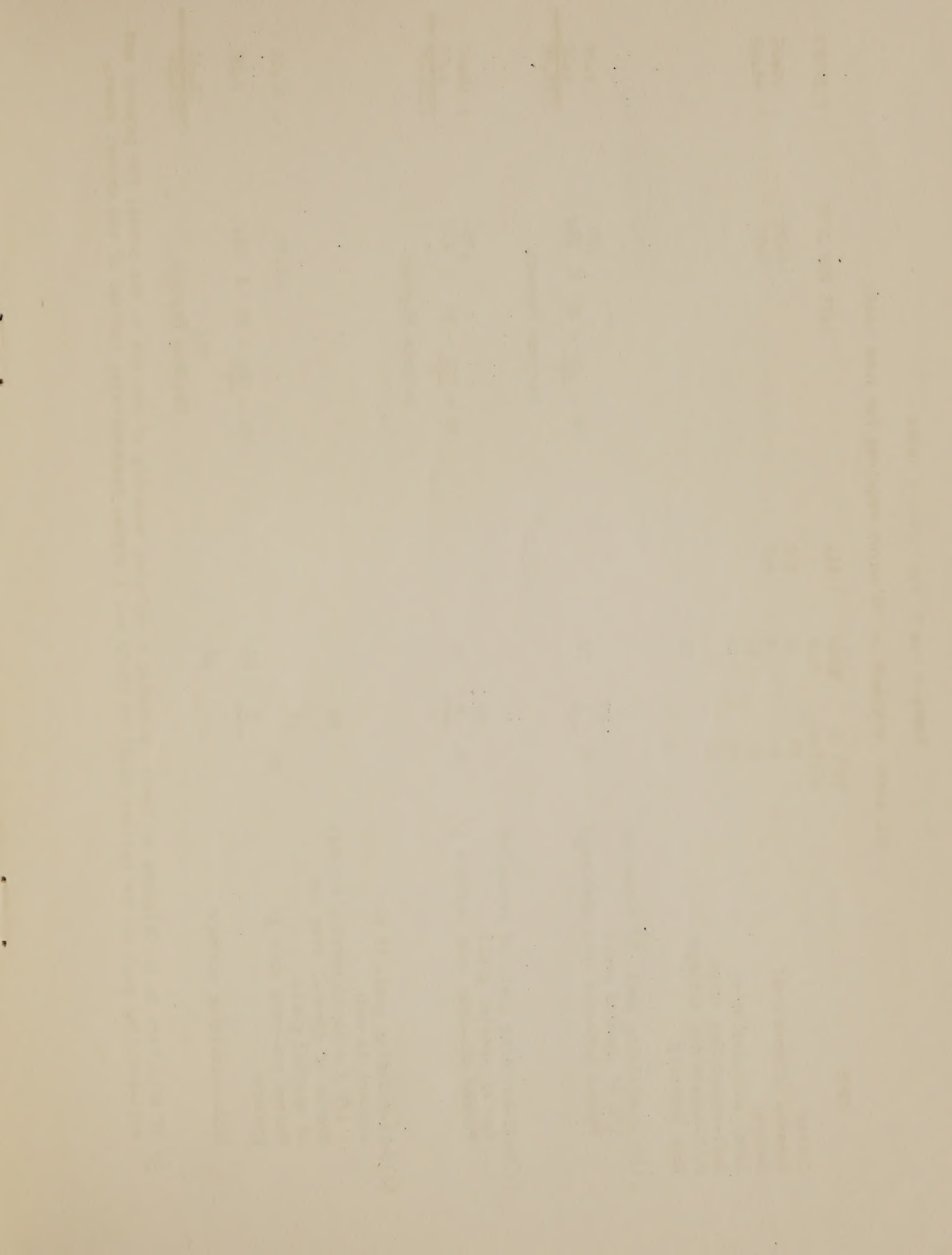
Example No. 2 For Group 2 Farms

100 Acres Cropland - 30 Acres Required for Home Needs

CROP	NORMAL ACREAGE	1938 GOAL	YIELD OR INDEX	RATE PER ACRE	PAYMENT
Cotton	70	40	200	\$4.80	\$192.00
General	30	30			
Total Soil-depletin ^s	100	70			
Soil-conserving crops <u>1/</u>	15				
Soil-conserving acreage		30			
Fenced non-crop open pasture <u>2/</u>	20	-	-		
(1) Soil-building goal - if requested 1/2 of special goal		20		.70	<u>14.00</u> \$206.00
(2) Soil-building goal - if requested All of special goal		40		.70	<u>28.00</u> \$220.00
(3) Soil-building goal - if no request is made 1-1/2 soil-conserving acreage Excess of general over special goal		45 <u>0</u> 45			
Soil-conserving acreage		30		.70	<u>\$ 21.00</u> \$213.00
		Maximum Payment			

1/ Interplanted legumes.

2/ If this farm is in Oklahoma or Texas, assuming a carrying capacity of one animal unit to 10 acres, the farm payment would be increased by \$2.40 and the soil-building goal increased by one acre.

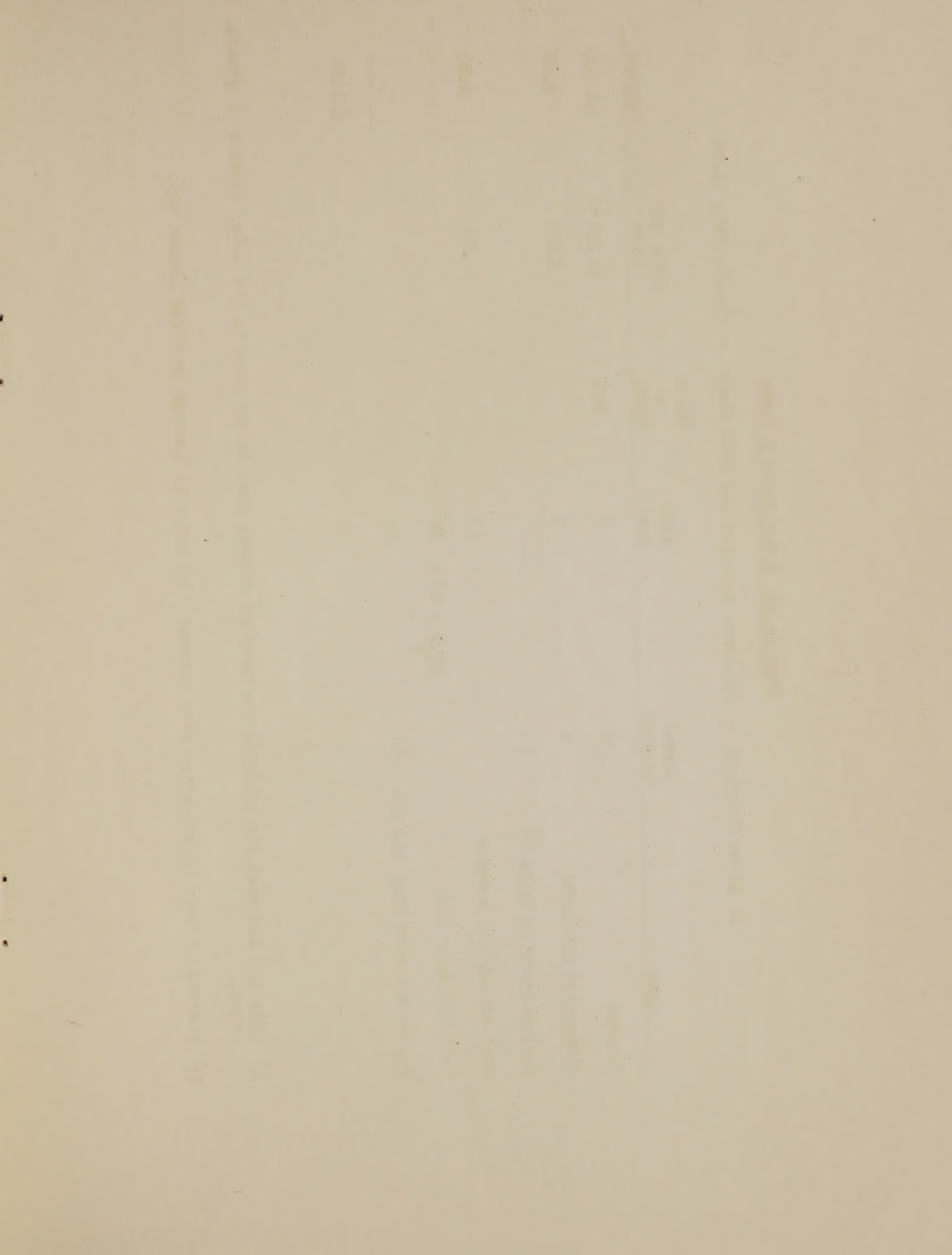


Example No. 3 for Group 2 Farms

100 acres cropland - 45 acres required for home needs

CROP	NORMAL ACREAGE	1938 GOAL	YIELD	RATE PER ACRE	PAYMENT
Cotton	30	20	200		
Tobacco (flue-cured)	10	8	800	\$4.80	\$ 96.00
General	35	45		\$8.00	\$ 64.00
Total soil-depleting	75	73			
Soil-conserving crops	20				
Soil-conserving acreage		22			
Idle Normally	5				
 (1) Soil-building goal, if requested					
1/2 of special goals	14			.70	9.80
Fenced non-crop open pasture 1/2	70	2		20 X 25¢	4.00
				<u>2</u>	<u>\$173.80</u>
				Maximum Payment	
 (2) Soil-building goal, if requested					
Sum of special goals	28			.70	\$ 19.60
Fenced non-crop open pasture 1/2	70	2		20 X 25¢	4.00
				<u>2</u>	<u>\$183.60</u>
				Maximum Payment	
 (3) Soil-building goal, if no request is made					
1 1/2 X soil-conserving acreage	33				
Excess of general over sum of special goals	17			\$1.50	\$ 25.50
Fenced non-crop open 1/2 pasture	70	2		20 X 25¢	4.00
				<u>2</u>	<u>15.40</u>
				70¢	<u>\$204.90</u>
				Maximum Payment	

1/ If this farm is in Oklahoma or Texas, assuming a carrying capacity of one cow to ten acres, the payment and soil-building goal on the pasture would be \$8.40 and 4 acres, respectively, instead of the amount shown.



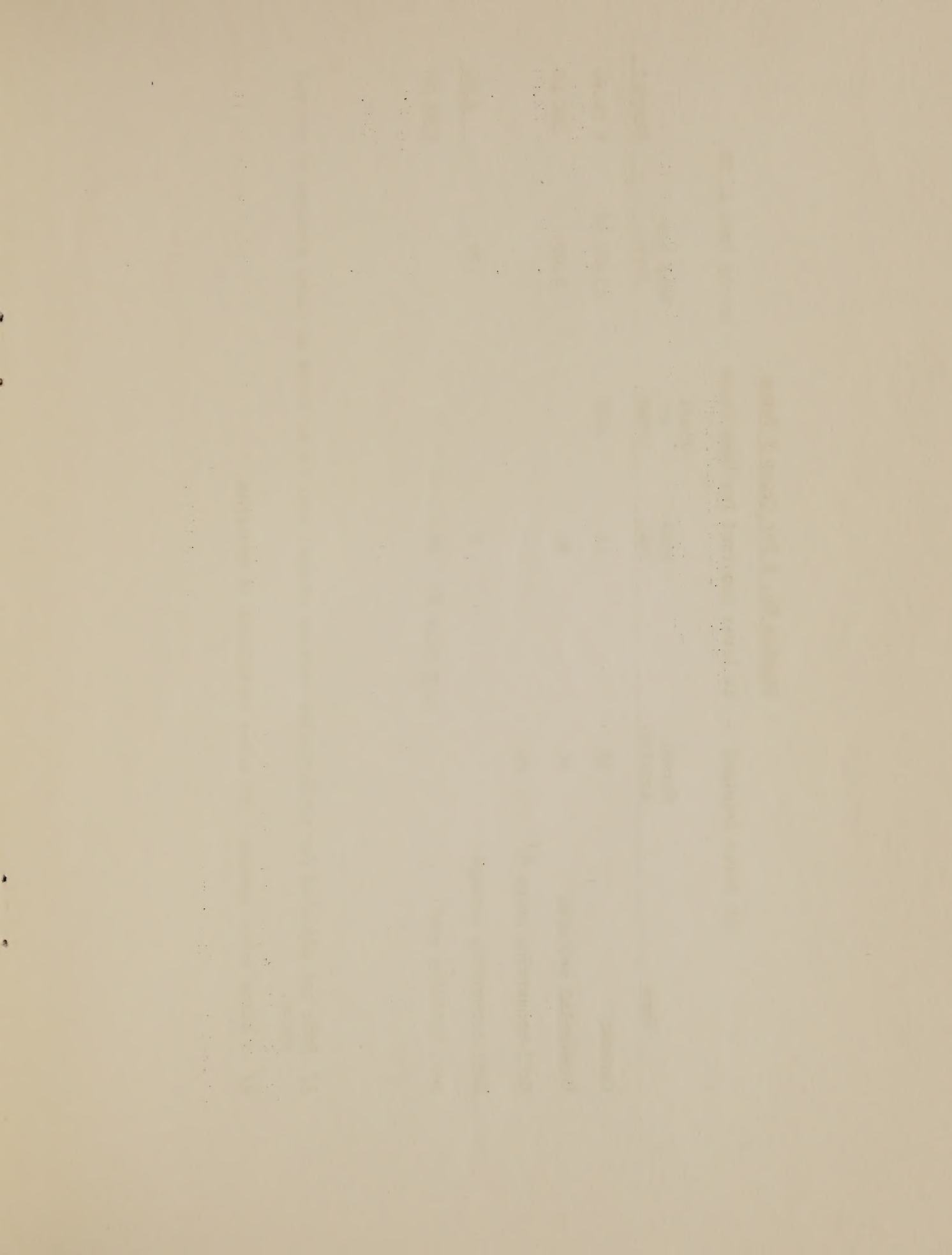
Example No. 4 For Group 3 Farms

35 Acres Cropland - 18 Acres Required for Home Needs - County Rate \$1.00

Crop	Normal Acreage	1938 Goal	Yield or Index	Rate per Acre	Payment
General	18	18	90%	\$1.50 $\frac{1}{2}$	\$27.00
Commercial Orchards	3	3		2.00	6.00
Soil-conserving Crops $\frac{2}{2}$	17				
Soil-conserving Acreage		14		.70	9.80
Soil-building Goal		35			
		$\frac{42.8 + 14}{2} =$			
Fenced Non-crop Open Pasture	30	30			
					<hr/> \$42.80

$\frac{1}{2}$ Rate not adjusted for productivity because general goal is as large as the usual acreage of general crops.

$\frac{2}{2}$ 6 acres of corn interplanted with cowpeas - 14 acres in cowpeas or other legume hay.



Example No. 5 For Group 3 Farms

100 Acres Cropland - 15 Acres Required for Home Needs - County Rate \$1.25

Crop	Normal Acreage	1938 Goal	Yield or Index	Rate per Acre	Payment
General	15	15	110%	\$1.50 <u>1/</u>	\$ 22.50
Commercial orchards	80	80		2.00	160.00
Soil-conserving crops <u>2/</u>	60				
Soil-conserving acreage		5		.70	<u>3.50</u>
Soil-building goal		(<u>186</u> plus 5) 98 <u>2</u>			\$186.00

1/ Rate not adjusted for productivity because general goal is as large as usual acreage of general crops.

2/ 5 acres solid cowpeas - 55 acres crotalaria in orchards.

Example No. 6 For Group 4 Farms

300 Acres Cropland - 0 Home Needs (tractor farming)

Crop	Normal Acreage	1938 Goal	Yield or Index	Rate per Acre	Payment
Rice	200	200	2,000	\$2.50	\$500.00
Cropland pasture	60				
Idle rice land	40				
Soil-conserving acreage		60			
Fenced non-crop open pasture	200				
(1) Soil-building goal - Arkansas and Louisiana - if no request is made					
Soil-conserving acreage	0	6			
Fenced non-crop open pasture	<u>6</u>			$200 - \frac{300}{2} = 50 \times$	$.25$
				Maximum payment	<u>12.50</u>
					\$512.50
(2) Soil-building goal - Arkansas and Louisiana - if requested					
Soil-conserving acreage		60		.70	42.00
1-1/2 x soil-conserving acreage	90				
Fenced non-crop open pasture	<u>200</u>	<u>96</u>		$200 - \frac{300}{2} = 50 \times$	$.25$
				Maximum payment	<u>12.50</u>
					\$554.50
(3) Soil-building goal - Texas - if no request is made					
Soil-conserving acreage	0				
Non-crop open pasture	200			.02	4.00
Carrying capacity <u>1</u> /	<u>40</u>	<u>22</u>		1.00	<u>40.00</u>
				Maximum payment	<u>44.00</u>
					\$544.00
(4) Soil-building goal - Texas - if requested					
Soil-conserving acreage		60		.70	42.00
1-1/2 x soil-conserving acreage	90				
Non-crop open pasture	200			.02	4.00
Carrying capacity <u>1</u> /	<u>40</u>	<u>112</u>		1.00	<u>40.00</u>
				Maximum payment	<u>44.00</u>
					\$586.00

1/ One cow to 5 acres.

Example No. 7. Division of Payment

600 acres cropland - 75 acres required for home needs - County rate \$1.25

CROP	NORMAL ACREAGE	1938 GOAL	YIELD OR INDEX	RATE PER ACRE	PAYMENT
Cotton	200	125	150	\$5.60	\$450.00
General	350	260	100	1.25	325.00
Total soil-depleting	550	385			
Idle cropland	50				
Soil-conserving acreage	(1-1/2	165		.70	115.50
Soil-building goal	X 165)	247			
	Maximum payment				\$890.50

Assuming absentee landlord receives 1/4 of entire crop as rent, operator furnishes workstock and equipment and works entire farm with wage hands.

	Landlord	Operator	Total Weights	Operator 1/ Weights	Total Weights
Section 8(a)					
Cotton	31 x 2 = 62	94 x 2 = 188		94 x 2 = 188	
General	65 x 1 = 65	195 x 1 = 195		195 x 1 = 195	
Soil-building practices	0 x 1 = 0	247 x 1 = 247		300 x 1 = 300	
	127	630	757	683	810
Percent of total weights	17%	83%		84%	
Payment	\$151.38	\$739.12		\$748.02	
Percent of farm payment	17%	83%			
Section 8(b)	(Percent)	(Percent)			
Cotton	25%	75%			
General	25%	75%			
Soil-building practices	0	100%			
Total Payment	\$193.75	\$696.75			
Percent of farm payment	22%	78%			

1/ Carries out more practices than are required, thus increasing his share of the farm payment.
The landlord's share is decreased.

Example No. 8. Division of Payment

80 acres cropland - 20 acres required for home needs

	NORMAL ACREAGE	1938 GOAL	YIELD OR INDEX	RATE PER ACRE	PAYMENT
Cotton	40	24	300	\$7.20	\$172.80
Flue-cured tobacco	10	8	800	8.00	64.00
General	20	20			
Total soil-depleting	70	52			
Soil-conserving crops	10				
Soil-conserving acreage		28			
Soil-building goal		16		.70	11.20
		Maximum payment			<u>\$248.00</u>

Assuming an owner-operator and one share-cropper each working 1/2 of the planted cotton and tobacco acreage on halves with operator furnishing workstock and equipment.

	Operator	Share-cropper 1/ Total	Share-cropper 2/ Total	Total Weights
Section 8(a)				
Cotton	18 x 2 = 36	6 x 2 = 12	6 x 2 = 12	
Flue-cured tobacco	6 x 4 = 24	2 x 4 = 8	2 x 4 = 8	
Soil-building practices	16 x 1 = 16	0 x 1 = 0	4 x 1 = 4	
Total weights	<u>76</u>	<u>20</u>	<u>24</u>	96
Percent of total weights	79%	21%	25%	
Payment	\$195.92	\$52.08	\$62.00	

	(Percent)	(Percent)
Section 8(b)		
Cotton	75%	25%
Flue-cured tobacco	75%	25%
Soil-building practices	100%	0
Total Payment	<u>\$188.80</u>	<u>\$59.20</u>
Percent of farm payment	76%	24%

1/ Does not help carry out any soil-building practices.
 2/ Shares in soil-building practices on 8 acres

Example No. 9. Deductions

100 acres cropland		- 60 acres required for home needs		- County rate \$1.10					
CROP	NORMAL ACREAGE	1938 GOAL	YIELD OR INDEX	RATE PER ACRE	GROSS PAYMENT	1938 ACREAGE	EXCESS ACREAGE	DEDUCTION	NET PAYMENT
Total soil-depleting	90	85				93	8	\$70.40 1/	
Cotton	60	40	200	\$4.80	\$192.00	38	0		
General	30	45	100	1.10	-	55	10 2/		
Soil-conserving crops	10					30			
Soil-conserving acreage		15							
Soil-building goal		30		.70	21.00			\$70.40	\$142.60
					\$213.00				

- 1/ The rate of deduction for each acre by which the 1938 acreage of all soil-depleting crops exceeds the total soil-depleting goal is eight times the payment rate computed for the general goal ($8 \times 1.10 = \$8.80$).
- 2/ The 1938 acreage of general crops is 10 acres in excess of the general goal, but the deduction applies on only 8 acres because 2 acres of the excess was off-set by 2 acres underplanting on cotton. The deduction applies even though all of the general crops, including the excess, are required for home needs.

Example No. 10 - Deductions

100 Acres Cropland - 50 Acres Required for Home Needs - County Rate \$1.00									
Crop	Normal Acreage	1938 Goal	Yield or Index	Rate per Acre	Payment	1938 Acreage	Revised 1938 Goals	Revised Payment	
Total soil depleting	95	94				88	94		
Cotton	60	50	200	\$4.80	\$240.00	28 1/2	35 1/2	\$168.00	
General	35	44	100	1.00		60	59		
Soil-conserving crops	5	6				45			
Soil-conserving acreage									
Soil-building goal		40		.70	28.00		35 1/2	24.50	
					\$268.00			\$192.50	

1/ Due to the fact that the 1938 cotton acreage was less than 80 percent of the cotton goal, the cotton goal was reduced to 125 percent of the 1938 acreage.

2/ The soil-building goal was established on the basis of the cotton goal and had to be revised when the cotton goal was revised.

Example No. 11. Deductions

100 acres of cropland

50 acres required for home needs

County rate \$1.00

	NORMAL ACREAGE	1938 GOAL	YIELD OR INDEX	RATE PER ACRE	GROSS PAYMENT	1938 ACREAGE	EXCESS OR DEFICIENT	RATE OF DEDUCTION	DEDUCTION	NET PAYMENT
Total soil-depleting	90	85	-			90	5	\$1.00	1/	
Cotton	40	21	200	\$4.80	\$100.80	26	5	2/	\$60.32	
Tobacco (flue-cured)	10	9	800	8.00	72.00	8	-	-	-	
General	40	55	100			56	1	3/	-	
Soil-conserving crops	10					25	5	3.00	15.00	
Soil-conserving acreage		15								
Soil-building goal		30		.70	21.00					
					\$193.80				\$75.32	\$118.48

1/ Deductions for exceeding the total goal are made only for that acreage in excess of the acreage on which a penalty is applied for exceeding special goals. The total goal is exceeded by five acres, but a deduction is made for the five acres by which the 1938 cotton acreage exceeds the cotton goal, consequently there is no deduction in connection with the total goal.

2/ 3.6 cents per pound on the normal yield per acre of cotton for that acreage in excess of the cotton goal up to 115% of the cotton goal and 10 cents per pound on the normal yield per acre of cotton on that acreage in excess of 115% of the cotton goal -
 $15\% \text{ of } 21 = 3.1 \text{ acres} \times 3.6\text{¢} \times 200 = \22.32
 $26 - 21 = 5 - 3.1 = 1.9 \times 10\text{¢} \times 200 = 38.00$
 $\underline{\$60.32}$

3/ There is no penalty for the excess acreage of general crops which is offset by the underplanting of special crops, the one acre of excess general crops being offset by the one acre of tobacco underplanted.

